



Raleigh

PROPOSED BUDGET
FY2020

A vibrant outdoor festival scene with a large crowd of people walking along a tree-lined street. In the background, a large, ornate building is visible. To the right, there are food trucks, including a green one labeled 'FRESH' and a red one labeled 'HOME SLICE PIZZA'. An American flag is partially visible on the left side of the frame.

Focus on Foundation

*Prioritize our commitments to employees
and the community above demands for
new or expanded services*

PROPOSED BUDGET

FY2020

FY2020 Budget Process

**\$8-10
Million**

*Presented an
Estimated
General Fund
budget gap*

- *Dec. 2018: Initial estimates and process began*
- *Feb. 2019: Shared preliminary projections with City Council*
- *Feb.-April 2019: Budget work sessions*

PROPOSED BUDGET
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General Fund Balancing Strategies

**\$8-10
Million**

*Presented an
Estimated
General Fund
budget gap*

- *Updated revenues - minor increases*
- *Improvements in healthcare cost estimates*
- *Reductions in capital transfers*
- *Minimal additions to proposed budget*

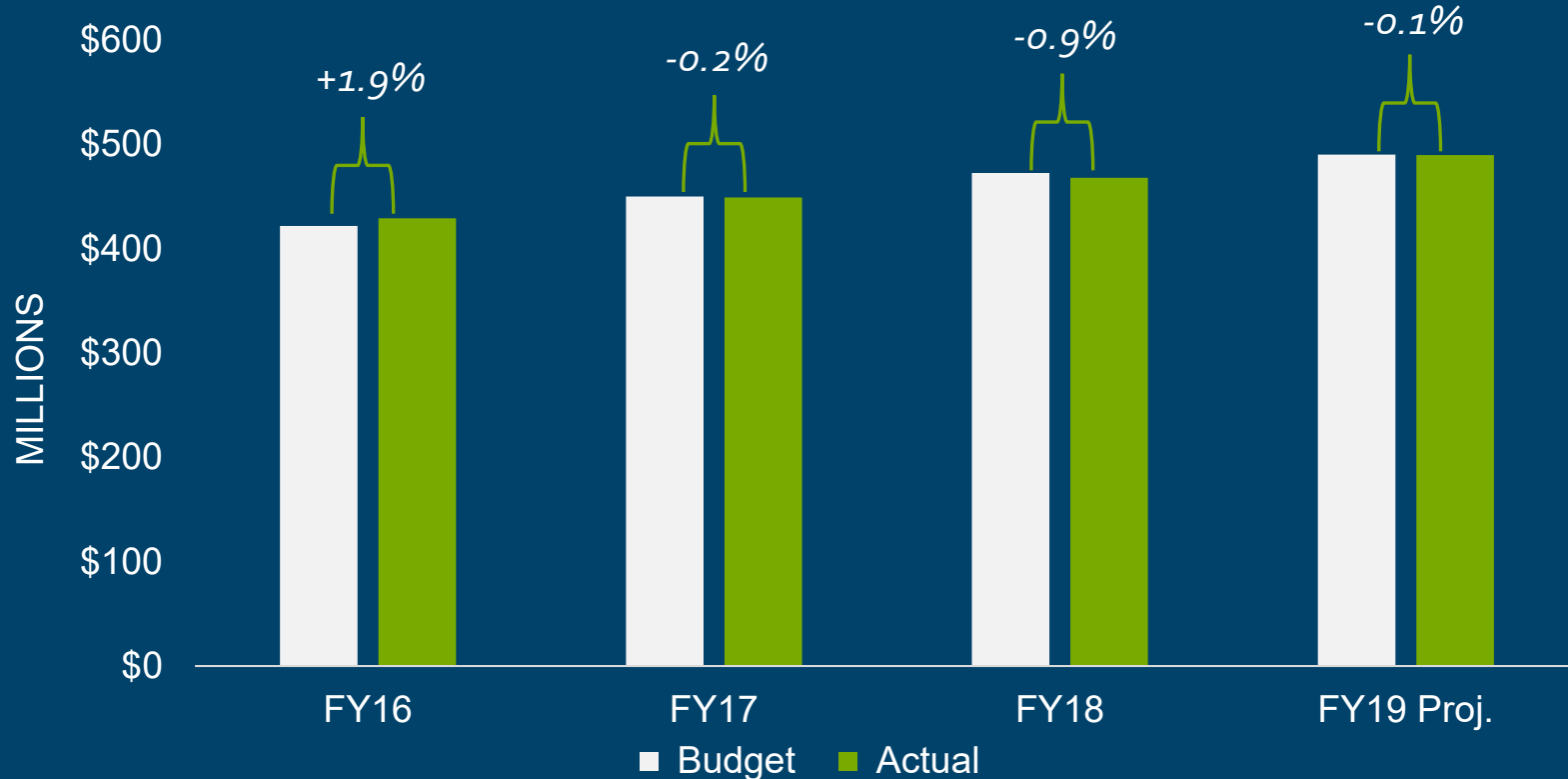
PROPOSED BUDGET

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General Fund Revenues

PROPOSED BUDGET

FY2020



FY2020 General Fund Revenue Outlook

1.9%

*Overall Growth
Projected for
FY20*

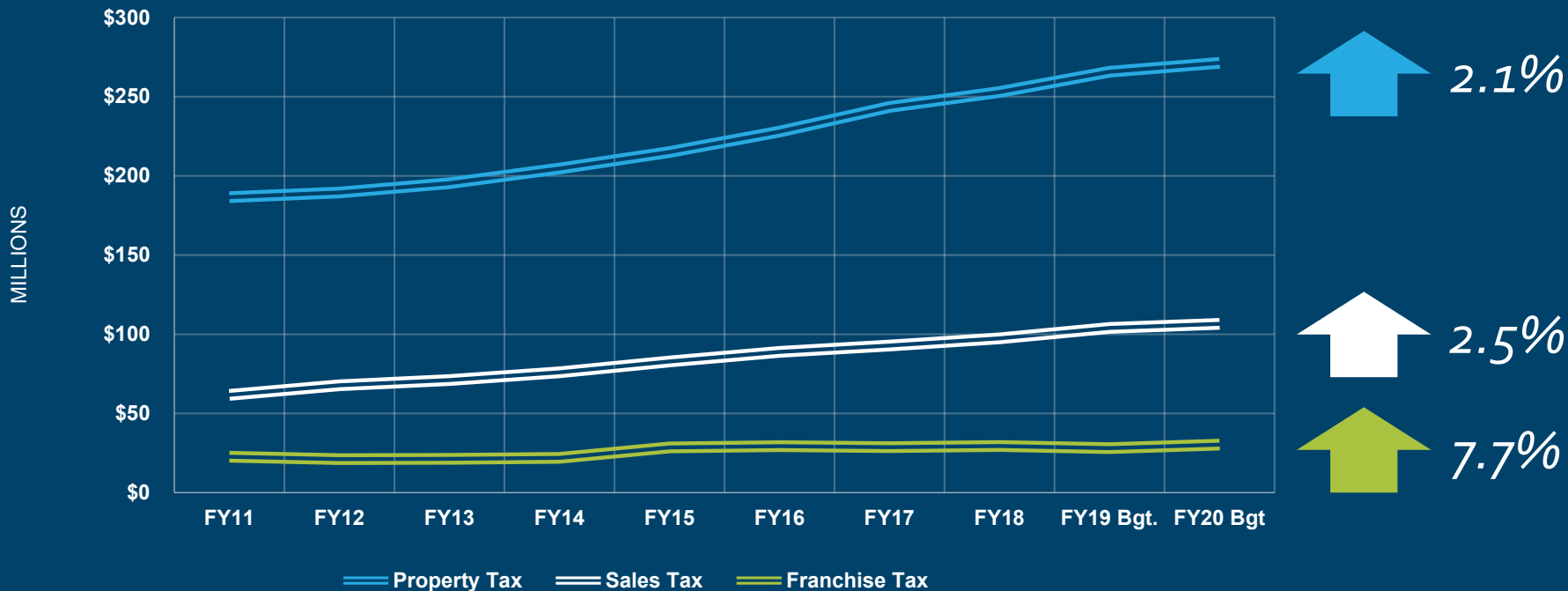
- *Moderate growth in major revenues*
 - *Property tax - 2.1%*
 - *Sales tax - 2.5%*
- *Utility franchise tax – 7.7%*
- *Right-sizing underperforming revenues*

PROPOSED BUDGET

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General Fund Major Revenue Trend

PROPOSED BUDGET
FY2020



FY2020 Revenue Outlook

\$0.75 increase in sewer administrative charges

- No changes to water and sewer volumetric rates
- Aligns sewer base rate charges to cost recovery based on the cost of service study

\$1.50 increase for Solid Waste Services

- Stabilizes current level of service

Increases in various Parking Rates

- Year-one of a two-year phased approach to shift prices to market rate
- Includes increases in on-street, off-street and monthly parking

FY2020 Revenue Outlook

No increase in Stormwater Fee

No Property Tax increase

- Maintains current rate of 43.82 cents per \$100 of valuation



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Strengthening Our Foundation in Workforce

Workforce Investments

\$5.3M in Public Safety open range and General step merits of 3% or 5%

\$2.5M in Broadband merit - eligible for 1-6%

Increased Living Wage rate to \$32,090

Implements results of the first one-third market review

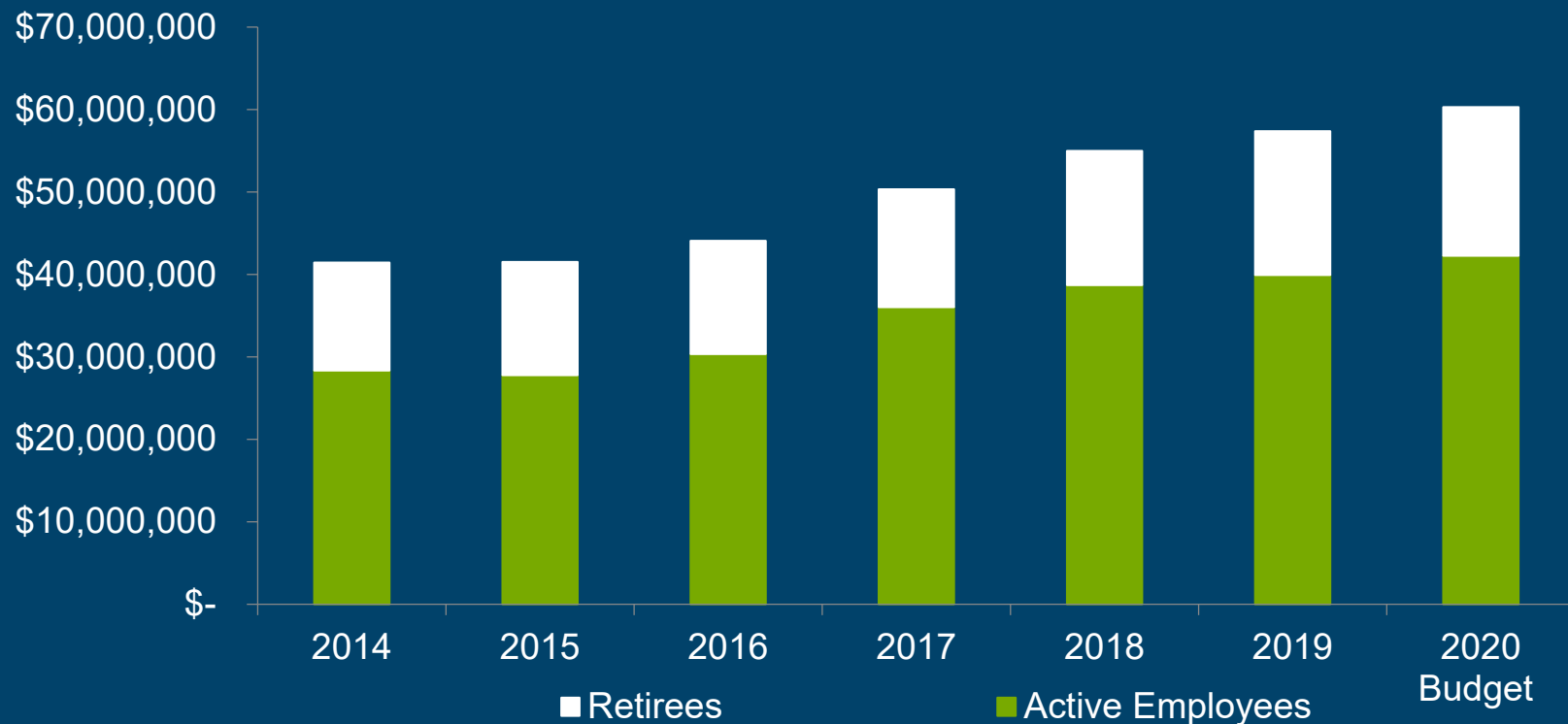


Public Safety Workforce Investments

Implements public safety recommendations from April work session

- Create Public Safety open range structure (effective 7/1/19)
- Revise promotional guidelines (effective 7/1/19)
- Pay adjustments to mitigate leapfrogging (effective 8/31/19)
 - Impacts approximately 220 employees
- Increase Police Sergeant and Fire Captain starting rate by 3% annually for three years (effective 9/29/19)

City Health Insurance Contribution



Employee Benefits

Medical - monthly premium increases by plan type:

- Plan A: \$2 - \$30 depending on plan selection
- Plan B: \$0 - \$21 depending on plan selection

Noncompliant rates increase by \$5

Dental - no premium increases

Effective January 1, 2020

Employee Benefits

\$3M increase in City's contribution for employee retirement system

- 7.75% to 8.95% for general employees
- 8.50% to 9.70% for law enforcement employees
- No change to employee contribution - 6%





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Strengthening Our Foundation in Operations

Service Demand Growth



+1,078 *New Park acres added*



1.6 M *Square Feet added*



Nearly **1 M** *Building Inspections Completed*

Additional Workforce Positions



- General Fund Positions (4 new positions)
 - Engineering Services- Building Maintenance
 - PRCR- Parks Maintenance
 - City Planning
 - Housing & Neighborhoods
- Bond Positions (6 new positions)
 - Four positions through 2014 Parks Bond
 - Two positions through 2017 Transportation Bond
- Development Services (2 new positions)
- Public Utilities (4 new positions)
- Convention Center (7 new positions)

General Fund Investments

Continues to modernize the Fire Department's fleet and equipment

Includes funding to expedite police vehicle upfit

Invests in the Police Department's new southeast district station



Strategic Plan Initiative Funding

Safe, Vibrant & Healthy Community -
Special Event Barricades

Transportation & Transit –
Connect Raleigh Lecture Series

Arts & Cultural Resources –
Creative Aging





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Strengthening Our Foundation in Infrastructure

Community Survey Priorities

Three most significant issues facing Raleigh over the next five years

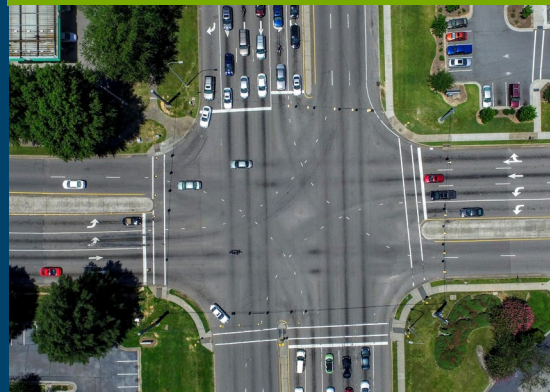
Affordable Housing



Pace of Growth



Transportation





Housing Affordability

Fair Market Rent, 1 Bedroom

2014

\$722

2015

2016

2017

2018

\$893

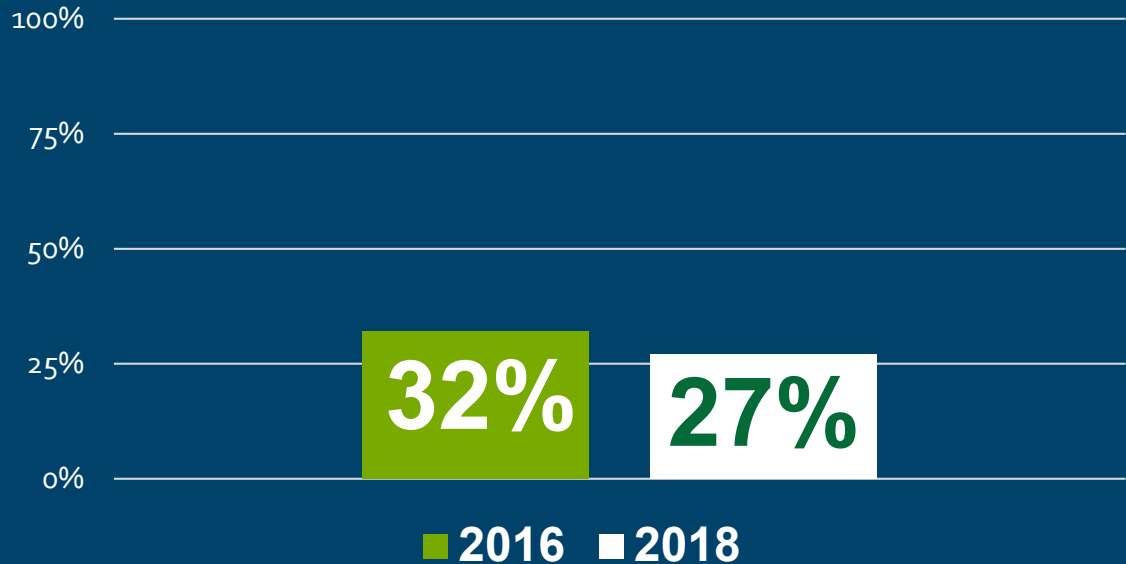


24% in 5 years



Housing Affordability

Residents Rating Availability of
Affordable Housing Excellent or Good



Housing

\$10.8M programmed for affordable housing development

- \$3.4M available for future commitments

645 affordable units

Funding available from:

- 1 Cent dedicated to affordable housing
- Property Sales
- HOME Grants
- Two-thirds Bonds



Transportation

Investment from 2017 Transportation Bond

Implementation of Wake Transit Plan

- Bus Rapid Transit – New Bern
- GoRaleigh Access Paratransit Operations and Maintenance Center

Other Transit Improvements

- Expansion and replacement buses (15)
- Park and ride enhancements
- Bus shelter improvements

Parking Enterprise Investments



Parks, Recreation & Cultural Resources

89%

*Greenways miles
increased*



+55 miles

or the distance
From Raleigh to
Rocky Mount



Parks, Recreation & Cultural Resources

Continued implementation of the 2014 Bond

- Brentwood Park
- Chavis Park
- Laurel Hills Community Center



Re-investment into system

- Greenways
- Walnut Creek Softball Complex
- Optimist Park Community Center



Convention & Performing Arts Complex



OVER 4 Million *visitors*



\$469 Million *in direct economic impact*

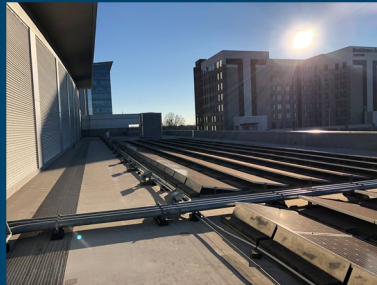


29% *increase in attendance*

Convention & Performing Arts Complex

Capital Investments

- Facility maintenance
- Fletcher roof replacements
- Security enhancements



Other Improvements

General Public Improvements

- Fire Station #1
- Civic Campus
- Building Upfit Grant Program

Technology

- Cyber Security
- Grants Management Solution





Next Steps

- Budget work sessions begin June 3 (Mondays at 4pm)
- Budget public hearing – June 4 at 7pm



Raleigh

Thank You

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